GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:1945
ANSWERED ON:17.07.2009
UTILISATION OF FUNDS UNDER JNNURM
Adhalrao Patil Shri Shivaji

Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) whether the funds allocated under the various schemes of Jawaharlal Nehru National Urban Renewal Mission (JNNURM) are not utilized properly by the States throughout the country;

(b) if so, the State-wise details thereof and the reasons therefor; and

(c) the steps taken by the Union Government to ensure the proper utilization of funds allocated under the JNNURM?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT(SHRI SAUGATA ROY)

(a)&(b): List indicating funds allocated and funds released to the States/ UTs under Urban Infrastructure & Governance (UIG) component of Jawaharlal Nehru National Urban Renewal Mission(JNNURM) is enclosed at Annexure I. List indicating funds allocated and funds released to the States/UTs under Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) of Jawaharlal Nehru National Urban Renewal Mission (JNNURM) is enclosed at Annexure II.

(c):
(i) The Central Sanctioning and Monitoring Committee (CSMC) apart from approving the projects also reviews and monitors the progress of the projects sanctioned by it on a monthly basis.

(ii) A mechanism at the State level, for third party monitoring and review of the projects sanctioned under the JNNURM has been put in place to ensure that the Mission objectives are met. It is intended that the review and monitoring process in the 65 Mission cities will keep track of the physical and financial progress of projects throughout the implementation of the project- pre-construction, construction, commissioning and trial run, and post-construction stages.

(iii) To strengthen the capacity of States to effectively co-ordinate implementation of projects and reforms under JNNURM, Ministry of Urban Development (MoUD) is supporting a Programme Management Unit (PMU) comprising of a team of professionals at the State levels.

(iv) Support is being extended to establish Project Implementation Units (PIUs) at Urban Local Bodies (ULBs) to enhance their capability to effectively implement projects and reforms under JNNURM.

(v) The second and subsequent installments of Additional Central Assistance (ACA) for projects are released only upon receipt of proper utilization certificate from State Governments. The Central Sanctioning and Monitoring Committee (CSMC), before releasing the second and subsequent installments of ACA, satisfies itself as regards the physical and financial progress of the projects under implementation and achievement of milestones as agreed upon by the States and Urban Local Bodies (ULBs) for implementation of reforms.

(vi) The monitoring of progress of the projects are also done through the Quarterly Progress Reports (QPRs) of the cities and States and the appraisal of reform implementation by National Institute of Urban Affairs (NIUA), Administrative Staff College of India (ASCI) and National Institute of Public Finance and Policy (NIPFP).